

Board meetings: the importance of minutes

In September 2016, ICSA (Institute of Chartered Secretaries & Administrators) released new [guidance](#) on minute taking for board meetings. The guidance is aimed at companies generally but will of course be relevant to charities.

What does the ICSA guidance cover?

The guidance covers legal and regulatory framework and the essential principles for producing and managing good minutes. It deals with the technical practice of minute taking and style issues, but also matters such as quorum, identification of participants, conflicts of interest, legal professional privilege, dissenting views, post-draft amendments and what to do about additional notes made by the minute taker.

What are the key points?

- There is no 'one-size fits all' approach for minute writing; rather it is a decision for the individual organisation
- Minutes should provide an accurate, impartial and balanced internal record of the business transacted at a meeting
- As a minimum, minutes should include the key points of discussion, decisions made and, where appropriate, the reasons for them and agreed actions.
- The person responsible for taking the minutes should be appropriately skilled at the task.
- Minutes should be detailed enough to confirm that the directors/trustees were aware of and have complied with their obligations and duties
- Minutes should facilitate regulatory oversight but not be drafted with this primarily in mind
- How to deal with conflicts of interest in the minutes is a decision for each individual organisation, but ICSA recommends that minutes only refer to conflicts in certain situations, such as where a board member raises the issue or a potential or actual conflict of interest is declared
- ICSA recommends that minutes should be retained for the life of an organisation

Why is the guidance important?

Keeping accurate minutes provides a proper record of a charity's decision making and maps the historical governance of an organisation. This can assist trustees in understanding and remembering why certain action was taken; thereby promoting more informed future decisions. It also protects against allegations of mismanagement.

It is more important than ever to make good governance a priority. This necessarily includes the proper holding and recording of board meetings. The Charity Commission is currently very focused on regulation and compliance and likely to take a dim view of failures by the board in respect of records of meetings. If the Commission opens an inquiry it will request

copies of the minutes, if these do not exist or are poorly prepared then it will be very difficult for a charity to demonstrate good governance and will inhibit trustees in addressing any specific compliance concerns.

The Charity Commission guidance on the management of conflicts of interest and conflicts of duty emphasises the key importance of minuting what has been done on each occasion to manage the conflict. However, although minutes are important from a regulatory standpoint, their primary purpose is as a record of charity decision making and ICSA comments that regulators are likely to be *“highly suspicious of minutes that are obviously written to satisfy them”*.

The ICSA guidance is available to download on the [ICSA website](#). The guidance should be considered in conjunction with other related guidance from the Charity Commission, including ‘[Charities and meetings \(CC48\)](#)’ and ‘[It's your decision: charity trustees and decision making \(CC27\)](#)’, and the charity’s governing documents.

Attend our ‘[Charity governance reviews and best practice](#)’ seminar on Wednesday 23 November to find out more about good governance.

Visit our [charities](#) page for further information.

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